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December 9, 1994

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HAND DELIVERED

REGINA R. FAMIGLIETTI

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, N.W.
Washington, D.C. 20554

Re: Ex parte Notice - MM Docket 92-260 and RM-8380/

W. W.

Dear Mr. Caton:

In accordance with Section 1.1200 et seq. of the Commission's rules, this is to advise that on Thursday, December 8, 1994, Richard Aurelio, President, Time Warner New York City Cable Group ("TWCNYC"); Robert S. Jacobs, Vice President and General Counsel, TWCNYC; Larry Pestana, Vice President of Engineering, Paragon Cable Manhattan; Carol Melton, Vice President, Law and Public Policy, Time Warner Inc.; and Arthur H. Harding of Fleischman and Walsh, L.L.P. met with Chairman Reed E. Hundt, Merrill Spiegel, Esq., and James Olson; and with Jill M. Luckett, special advisor to Commissioner Chong, to discuss issues affecting the above-referenced proceedings. The discussion involved presenting Time Warner's position on cable home wiring issues as summarized in the attached materials to be associated with the appropriate dockets and set forth more fully in formal comments filed by Time Warner Entertainment Company, L.P. in such proceedings.

Very truly yours,

Arthur H. Harding

Counsel for Time Warner

Entertainment Company, L.P. No. of Copies rec'd_

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HOME WIRING

FEDERAL COMMUNICATIONS COMMISSION OFFICE OF THE SECRETARY

- There is no need to alter the home wiring point of demarcation for MDU buildings.
 - -- The demarcation point established by the Commission, "at or about twelve inches" from the point where the cable wiring enters the individual dwelling unit, is a fair and workable approach.
 - -- Forcing the cable operator to cede ownership of hundreds of feet of its distribution plant beyond the point of demarcation and outside individual dwelling units would be unwarranted.
 - -- The legislative history of the 1992 Cable Act makes clear that the scope of the home wiring provision is limited to "the cable installed within the interior premises of a subscriber's dwelling unit," and that it "does not apply to any wiring, equipment or property located outside the home or dwelling unit."
 - -- In the vast majority of MDU buildings, the existing point of demarcation is readily accessible either at the initial wallplate within the dwelling unit or where distribution cables running through common areas (i.e., wiremold in hallways) enters individual dwelling units.
 - -- Even in MDUs where the cable operator has run its distribution cable through conduits which are generally inaccessible within the walls or floors of the building, competing MVPDs can nevertheless access truly internal wiring at the wallplate or other point where wiring actually enters the dwelling unit.
 - -- Under the Commission's present rules, competing MVPDs are appropriately required to construct and maintain their own separate distribution facilities running to each unit within an MDU building. MDU residents retain total freedom to use internal wiring within their units to receive service from the MVPD of their choice.
 - -- The rule changes advocated by telephone companies and unfranchised MVPDs would allow them to seize valuable portions of a cable operator's distribution plant, cutting off access by the cable operator to end users, thereby thwarting competition.
 - -- Even where a MDU resident discontinues service from a cable operator to receive service from a competing MVPD, the cable operator needs to retain its distribution facility all the way to the resident's dwelling unit so the cable operators can continue to

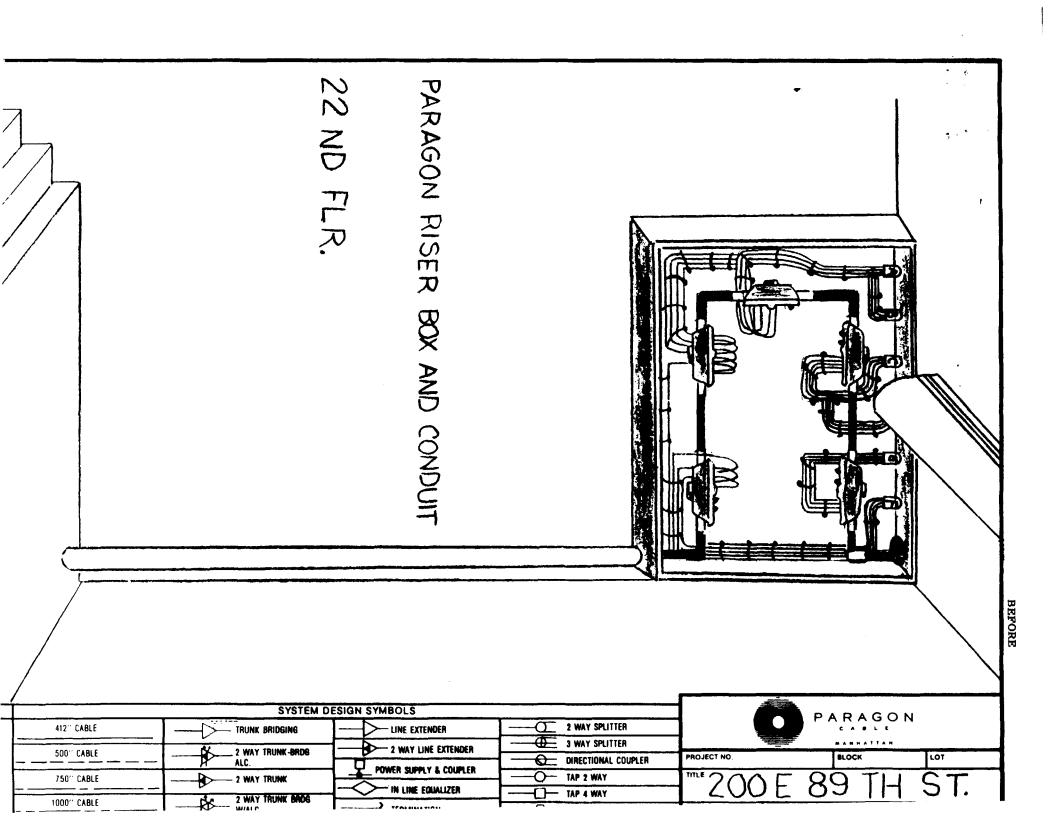
market alternative or supplementary services to that resident (<u>i.e.</u>, pay-per-view, interactive games, alternate access, etc.)

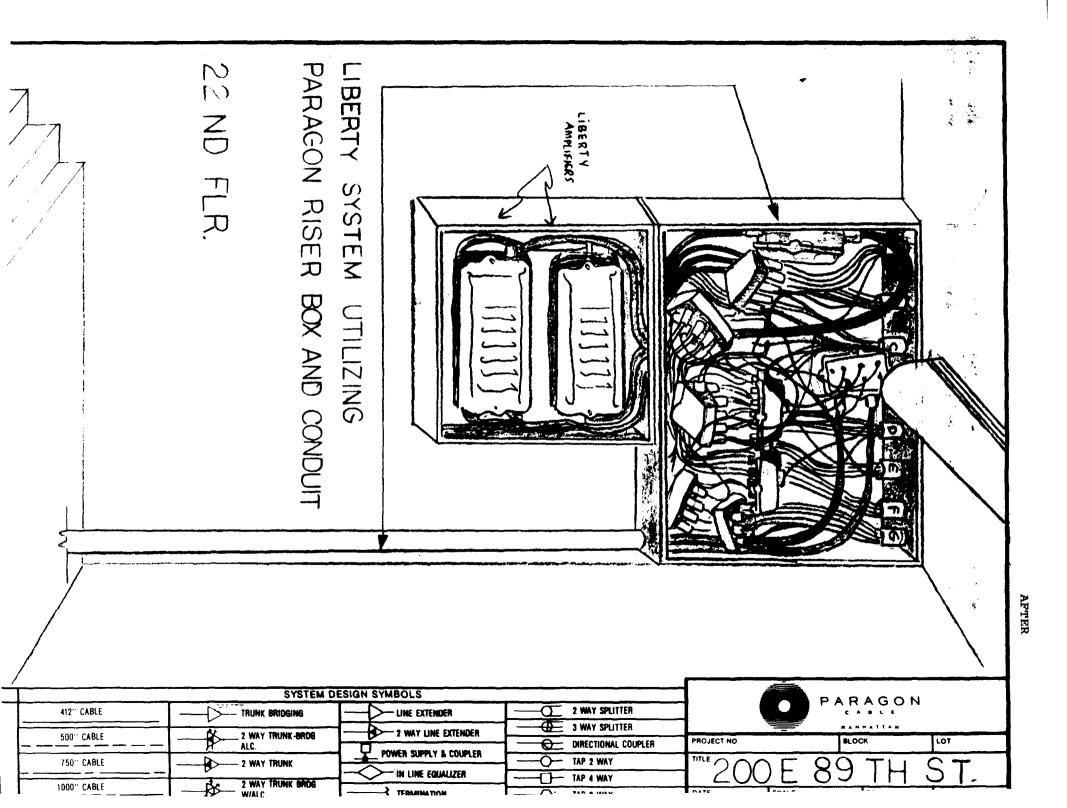
- -- The Commission's recent Video Dialtone decision recognizes the importance of a policy which seeks to promote the construction of multiple sets of end-to-end distribution facilities in order to achieve maximum competition.
- -- 170 East 87th Street provides a prime example of the unfairness of forcing cable operators to cede ownership of critical portions of their distribution facilities to competitors.
- -- The changes proposed to the home wiring rules in various petitions for reconsideration would render the rules unconstitutional because they would result in a taking of cable operators' property without an adjudicatory proceeding to determine just compensation.
- -- The Commission should retain its exclusion for loopthrough or other similar series cable configurations.
- -- The home wiring rules should not apply to splitters or other devices used to transmit signals to other MDU residents.
- The Commission should reaffirm that the "home wiring" rules are intended exclusively for the benefit of the recipients of video programming services, <u>i.e.</u>, the actual residents of MDUs, not the landlord or building owner.
 - -- If landlords are allowed to invoke the home wiring rules, rather than MDU residents, landlords will be allowed to continue to "shake down" cable operators.
 - -- More importantly, landlords should not be allowed to employ the home wiring rules so as to thwart the ability of the subsequent MDU resident to obtain video programming service from the provider of their choice.
 - The Commission should <u>reject</u> arguments by the National Private Cable Association and others that would enable landlords to interfere with a tenant's choice to receive video programming from the franchised cable operator or any alternate provider.
 - -- Where a cable operator declines to exercise its right to remove internal wiring upon the vacancy of MDU premises, such wiring should be deemed to be available for the benefit of the subsequent occupant. Neither

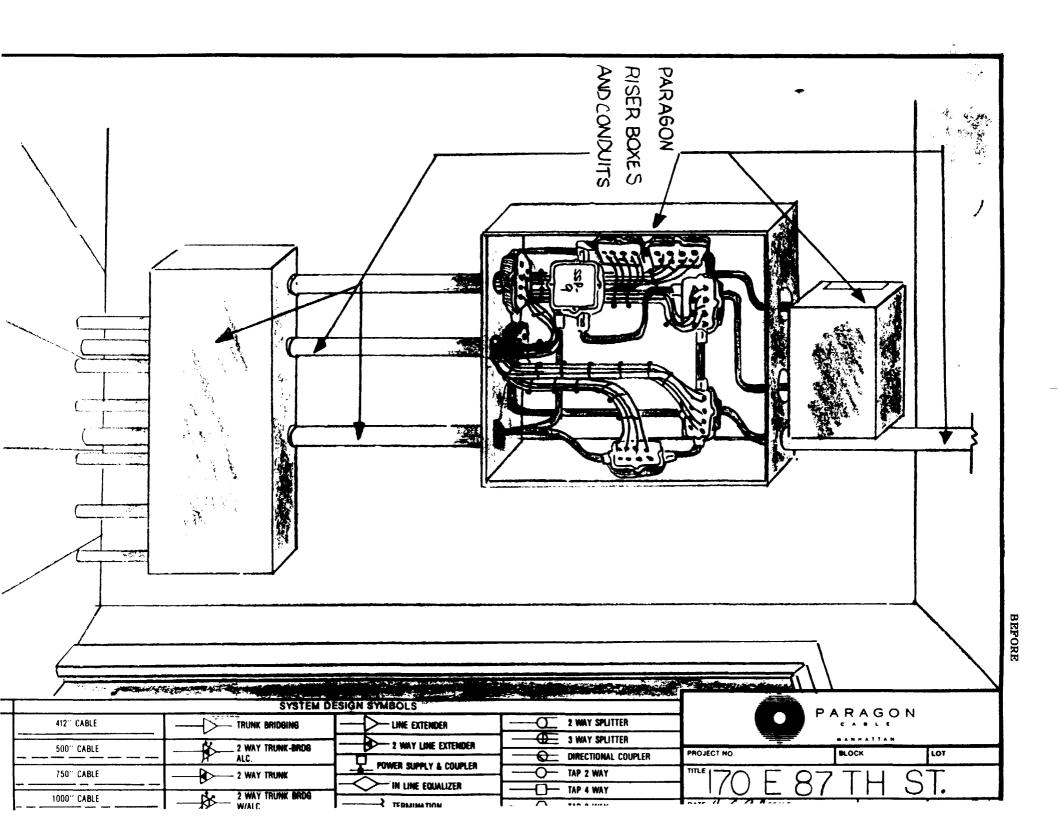
the landlord nor the cable operator should be allowed to interfere with this right.

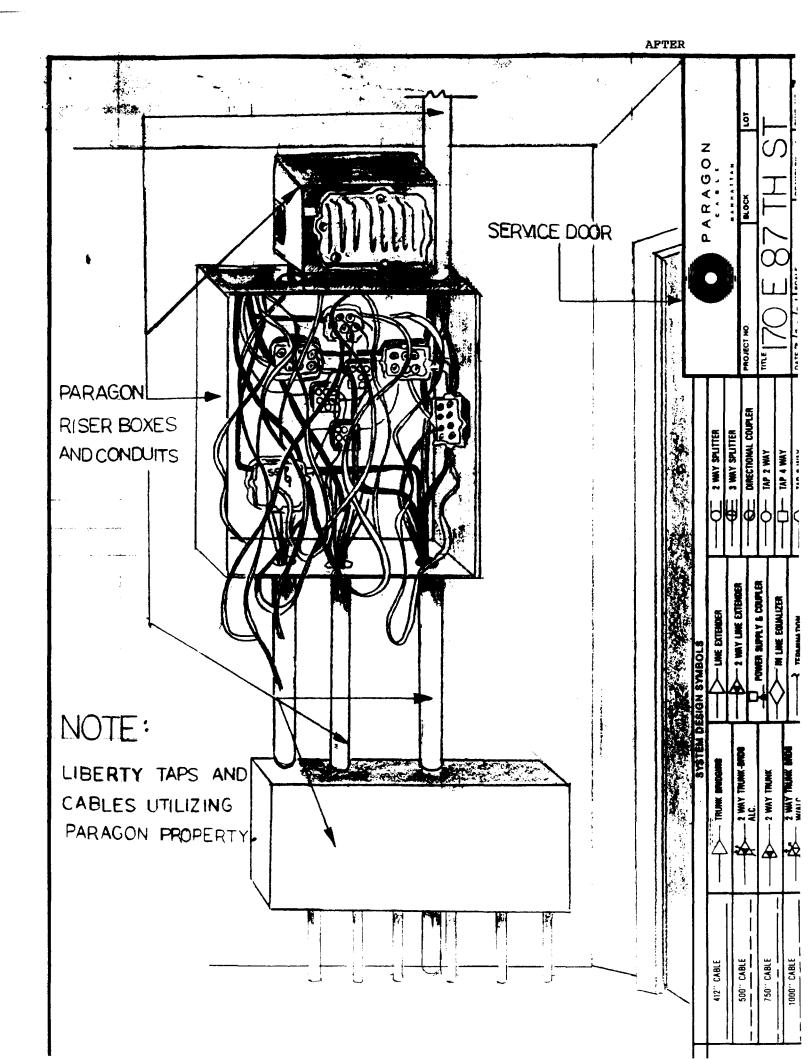
- The home wiring rules are applicable only upon termination of service by a subscriber.
 - -- The plain statutory language of the 1992 Cable Act clearly states that the home wiring provisions apply only "after a subscriber to a cable system <u>terminates</u> service."
 - Unlike telephone wiring, it is physically and technically impracticable for two competitors to simultaneously deliver traditional cable services over the same wiring.
 - -- If the Commission truly wants to foster competition, it must encourage each competitor to construct its own distribution infrastructure all the way to the subscriber. This is the only way the subscriber can enjoy a seamless transition between competing services, as well as the ability to receive selected services from each competitor simultaneously.
 - -- If the cable operator loses control over home wiring before termination of service, the ability of the Commission to detect parties responsible for signal leakage will be seriously impaired.

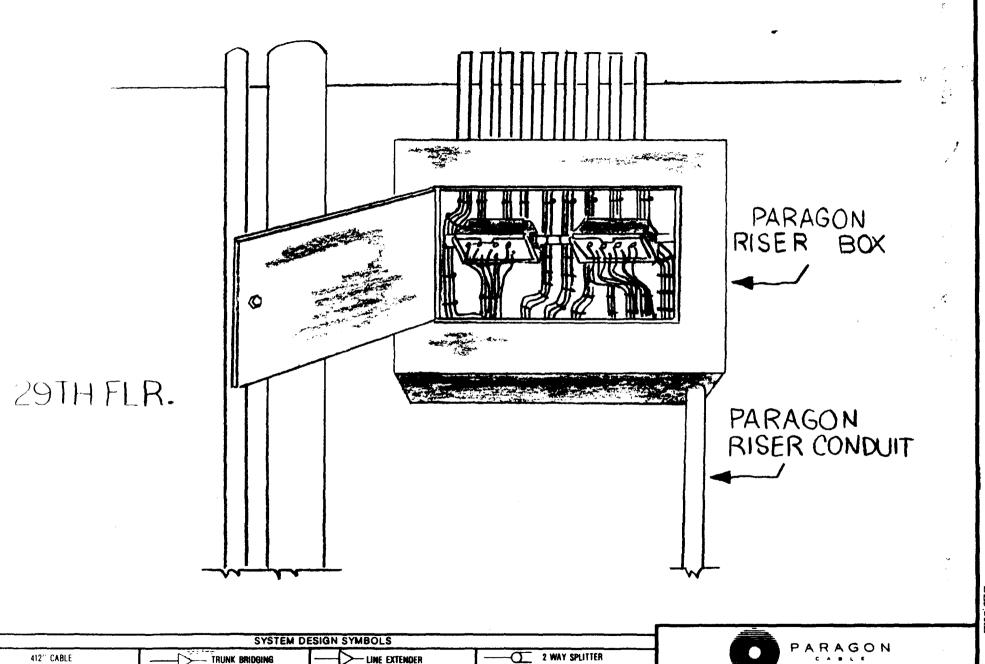
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2 WAY TRUNK-BROG

2 WAY TRUNK BROG W/ALC

2 WAY TRUNK

750" CABLE

1000" CABLE

POWER SUPPLY & COUPLER

IN LINE EQUALIZER

TERMINATION

3 WAY SPLITTER

TAP 2 WAY

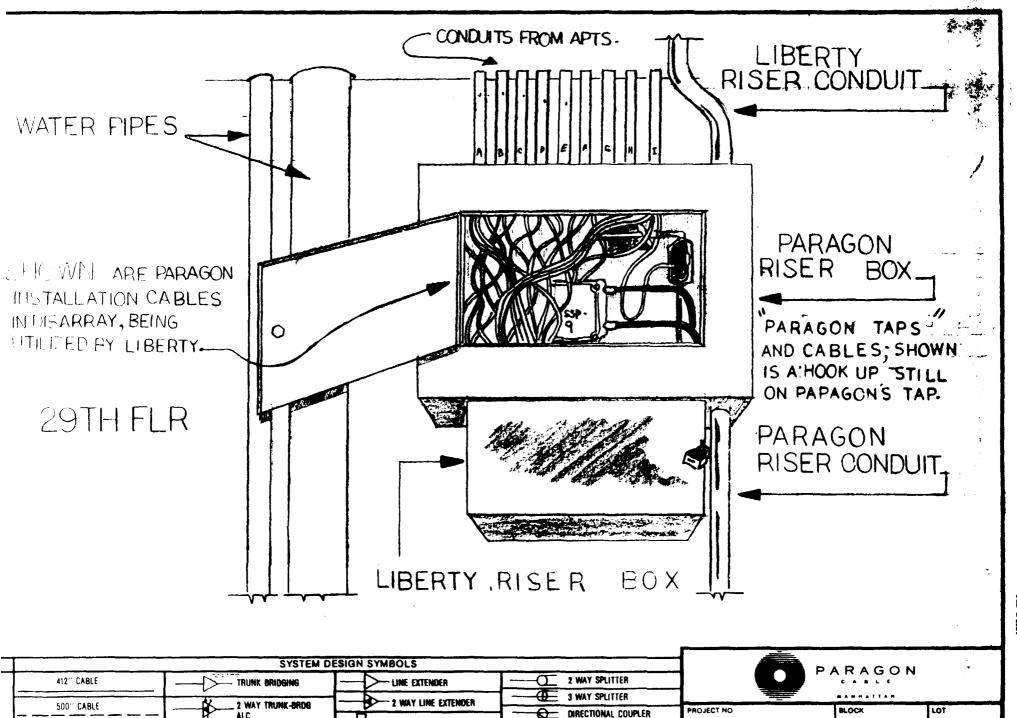
TAP 4 WAY

DIRECTIONAL COUPLER

PROJECT NO.

BLOCK

LOT



TAP 2 WAY

TAP 4 WAY

POWER SUPPLY & COUPLER

W LIME EQUALIZER

2 WAY TRUNK

750" CABLE

1000" CABLE

TALK!